

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
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FOI/PA# 1249734-0

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Airtel

7/5/73

To: SAC, WFO (52-14459)

From: Acting Director, FBI

REC 107

97812-1

[Handwritten signature]

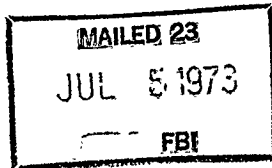
HOWARD JAY PHILLIPS;
FORMER ACTING DIRECTOR,
OFFICE OF ECONOMIC OPPORTUNITY,
WASHINGTON, D. C.
ALLEGED COMPROMISE OF FBI
INVESTIGATIVE REPORTS
TGP
OO: *[Handwritten initials]*

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ReWFOairtel to the Bureau dated 7/3/73.

Completely resolve allegations as set forth
in referenced airtel as soon as possible. Keep FBIHQ
advised of pertinent developments.

HWA:mla *[Handwritten signature]*
(4)



Mr. Felt _____
Mr. Baker _____
Mr. Callahan _____
Mr. Cleveland _____
Mr. Conrad _____
Mr. Gebhardt _____
Mr. Jenkins _____
Mr. Marshall _____
Mr. Miller, E.S. _____
Mr. Soyars _____
Mr. Thompson _____
Mr. Walters _____
Tele. Room _____
Mr. Baise _____
Mr. Barnes _____
Mr. Powers _____
Mr. Warrington _____
Mr. Gandy _____
Mr. _____
Mr. _____

MAIL ROOM ☐

TELETYPE UNIT ☐

58 JUL 10 1973

F B I

Date: 7/3/73

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL _____
(Priority)

Mr. Felt	_____
Mr. Baker	_____
Mr. Callahan	_____
Mr. Cleveland	_____
Mr. Conrad	_____
Mr. Gebhardt	_____
Mr. Jenkins	_____
Mr. Marshall	_____
Mr. Miller, E.S.	_____
Mr. Soyars	_____
Mr. Thompson	_____
Mr. Walters	_____
Tele. Room	_____
Mr. Baise	_____
Mr. Barnes	_____
Mr. Bowers	_____
Mr. Herington	_____
Mr. Conmy	_____
Mr. Minn	_____
Mr. Eardley	_____
Mrs. Hogan	_____

TO: ~~ACTING DIRECTOR, FBI~~

FROM: ~~SAC, WFO (52-14459) (P)~~

HOWARD JAY PHILLIPS;
FORMER ACTING DIRECTOR,
OFFICE OF ECONOMIC OPPORTUNITY,
WASHINGTON, D. C.
ALLEGED COMPROMISE OF FBI
INVESTIGATIVE REPORTS
TGP
(OO:WFO)

Enclosed for the Bureau is one Xeroxed memorandum from HOWARD PHILLIPS, former Acting Director of Office of Economic Opportunity (OEO), and one Xeroxed letter from [redacted] President of American Federation of Government employees - Union Local 2677 to [redacted]

On 6/27/73, [redacted] OEO Union Local, 1111 18th Street, N. W., Room 404, telephone 254-5010, telephonically advised WFO that he has determined through conversations with OEO Security Officer, [redacted] 1200 19th Street, N. W., Room 215, telephone 254-5539, that during an unspecified time in the recent past, subject withdrew a number of FBI Full Field investigation reports from the custody of [redacted] and took them to his office. [redacted] alleges from his conversations with [redacted] that these documents were copied and carried away for the personal use of PHILLIPS. [redacted] characterizes [redacted] as a conscientious, sincere career employee who is extremely worried about this occurrence.

ENCLOSURE 2
(2) Bureau (Enc. 2)
1- WFO

HPA:dah

(3)

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

[] was unable to provide any specifics relative to this alleged violation, but states that all this information is hearsay based on conversations with [] stated that he has determined that [] maintains a "check out list" bearing document identification and the dates these documents were withdrawn by PHILLIPS.

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On 6/27/73, an appointment was set up with [] [] supra, for July 2, 1973. On that date, [] advised that at no time did he ever make any allegations either directly or indirectly that HOWARD J. PHILLIPS compromised FBI files by copying and carrying them away for his personal use. He stated that the first time he became aware of this allegation was on June 27, 1973 when [] [] supra, made this allegation to him. It was [] [] opinion that the allegation was made in an attempt to elicit any information he might have regarding the subject. At that time he emphatically advised [] that he had no knowledge of Mr. PHILLIPS' misuse of FBI files and was quite sure that Mr. PHILLIPS, whom he considered to be a man of great integrity, would never do so.

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He noted that [] would not furnish him any basis for the allegation.

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He explained that Mr. PHILLIPS, in the capacity of Acting Director of OEO, had an obligation to review FBI files, and although at times Mr. PHILLIPS did admit to keeping files overnight, at no time was there any indication that the files were taken out of the building. [] [] stated that he advised [] of this information.

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[] continued that it was his opinion that this problem is one of a personal conflict between Mr. PHILLIPS and the American Federation of Government Employees Union (AFGE), Local 2677. He expounded that Mr. PHILLIPS was appointed by the Administration to dismantle the OEO and in view of this the AFGE became his inherent adversary. This union, since the beginning of Mr. PHILLIPS' appointment, led the fight which led to the recent court order which held

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WFO 52-14459

that he was holding the position of Acting Director of OEO illegally. As the Bureau is aware, Mr. PHILLIPS is no longer Acting Director of OEO.

WFO is of the opinion that there is little substance to the allegation in question; however, due to the possible publicity which might arise from this allegation, WFO is actively pursuing this investigation in an attempt to bring it to a rapid and logical conclusion.

LEAD

WASHINGTON FIELD

AT WASHINGTON, D. C. Investigation continuing.



american federation of government employees - union local 2677

June 28, 1973

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[Redacted]
Acting Director
Office of Economic Opportunity
Washington, D.C. 20506

Dear Mr. Arnett:

It has come to my attention that Mr. Phillips is taking with him copies of dossiers on employees, which are normally kept in the OEO security officer's safe. We have consulted with our attorneys on this, and they strongly recommend the matter be immediately referred to the Federal Bureau of Investigation. In the spirit of this morning's meeting, we would like to give you an opportunity to handle the matter more quietly and with less embarrassment for the agency.

Please let me know as soon as possible what steps you have taken or plan to take to ensure that files that have already been taken will be returned and that no other files will leave the agency.

Sincerely,

Phillip R. Kete
President

52- 97812 - /

F B I

Date: 7/11/73

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL _____
(Priority)

Mr. Felt	_____
Mr. Baker	_____
Mr. Callahan	_____
Mr. Cleveland	_____
Mr. Conrad	_____
Mr. Gebhardt	_____
Mr. Jenkins	_____
Mr. Marshall	_____
Mr. Miller, E.S.	_____
Mr. Soyars	_____
Mr. Thompson	_____
Mr. Walters	_____
Tele. Room	_____
Mr. Baise	_____
Mr. Barnes	_____
Mr. Bowers	_____
Mr. Hamilton	_____
Mr. Conmy	_____
Mr. Minn	_____
Mr. Eardley	_____
Mrs. Hogan	_____

TO: DIRECTOR, FBI

FROM: SAC, WFO (52-14459) (P)

HOWARD JAY PHILLIPS;
FORMER ACTING DIRECTOR,
OFFICE OF ECONOMIC OPPORTUNITY,
WASHINGTON, D. C.
ALLEGED COMPROMISE OF FBI
INVESTIGATIVE REPORTS
TGP
(OO:WFO)

Re WFO airtel to Bureau, 7/3/73.

EX-103 REC-56 52-97812-2

The Bureau's attention is directed to the Xeroxed letter from [redacted] enclosed in re airtel. On 7/5/73, [redacted] President of the American Federation of Government Employees (AFGE) - Union Local 2677 (The OEO Local), advised that the allegations in that letter were based solely on information he received from Union Steward [redacted]. He pointed out that no evidence was submitted to him, but rather, [redacted] stated that he had a source who advised him of this information. [redacted] was not aware of the identity of the source, but felt that [redacted] was a man of integrity, thus the information had to have some merit.

On same date, [redacted] was interviewed in his office at OEO. He stated that the reason he made the allegation regarding PHILLIPS' misuse of dossiers was as follows:

2- Bureau
1- WFO

HBA:ss

Approved: _____
Special Agent in Charge

Sent _____ M Per _____

He was aware that Mr. PHILLIPS was reviewing security files; however, in light of the fact that during June of 1973 he was facing a court battle regarding the legality of his position, this seemed unusual. Also, along these lines, if he were interested in the files he could have reviewed them long before June.

It was also brought to his attention by OEO employees, who were not identified, that when PHILLIPS moved out of his office, he required approximately 20 moving cartons. This was highly unusual since he doubted that Mr. PHILLIPS had that much material in his office.

The last reason which led him to believe PHILLIPS was copying and carrying away the dossiers of OEO employees was the behavior of [redacted] an individual who he described as being one time [redacted] at OEO under PHILLIPS. [redacted] was told by OEO employees, again unnamed, that when [redacted] was questioned about the dossiers, he became quite evasive. In view of this, [redacted] directly confronted him with the allegation in an attempt to elicit a response. [redacted] stated that [redacted] was very evasive, but would not categorically deny the allegation. During the interview with [redacted] he had "vibes" to the effect that the reason [redacted] was evasive was due to the fact that [redacted] was in the Union.

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WFO wishes to point out at this time that both [redacted] and [redacted] are referring to the security files of OEO employees, otherwise known as dossiers. According to [redacted] OEO Security Officer, these dossiers would contain FBI reports if during a National Agency Checks and Inquiries (NASI), which is required of all OEO employees, the FBI had on file a record of the individual in question. Also, in critical positions full field Civil Service Commission investigations are required; however, if information should be developed regarding the loyalty of the individual, the investigation is immediately referred to the FBI. He further added that in some cases when critical positions are in question, a name check is made against FBI files even before Civil Service Commission investigation.

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On 7/10/73, [REDACTED]

[REDACTED] OEO, advised in essence that he believes the allegation in question arose from the fact that Mr. PHILLIPS was having access to OEO dossiers, which he stated was not a secret by any means. As the employees became aware of this, they questioned him regarding the reason for PHILLIPS' reviewing the dossiers since this appeared to be unusual. He advised that since he did not have the answer for this, he was very evasive in his answers. He was directly approached on this subject by [REDACTED] who wished to know what knowledge he had regarding PHILLIPS' copying and carrying away the dossiers. Again, he was evasive since he did not know the answer and did not wish to start an issue; plus, [REDACTED] was a union official and it would not be appropriate for [REDACTED] to talk about Labor problems to him directly since the Union had a Labor Management Representative.

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During the interview, [REDACTED] pointed out that although he had no proof of Mr. PHILLIPS' copying and carrying away any dossiers, PHILLIPS did require numerous cartons to move his effects from his office. It was estimated that approximately 20 cartons were used; however, he felt that anything more than ten was unusual enough to arouse suspicion. He did observe part of the move sometime around 6/20/73, however, he did not see what was in the contents of the cartons. It was his opinion that the person to see regarding this matter is [REDACTED] a former assistant of Mr. PHILLIPS.

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An attempt was made to interview [REDACTED] with negative results as she was not at work that day.

At this point, it appears that there is absolutely no substance to the allegation that FBI files, let alone OEO dossiers, were copied and carried away by PHILLIPS; however, WFO will interview [REDACTED] regarding this matter.

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F B I

Date: 7/24/73

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL _____
(Priority)

TO: DIRECTOR, FBI

FROM: SAC, WFO (52-14459) (P)

HOWARD JAY PHILLIPS;
FORMER ACTING DIRECTOR,
OFFICE OF ECONOMIC OPPORTUNITY,
WASHINGTON, D.C.
ALLEGED COMPROMISE OF FBI
INVESTIGATIVE REPORTS
TGP
(OO:WFO)

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Re WFO airtel to Bureau, 7/11/73.

For the information of the Bureau, on 7/12/73 WFO interviewed [redacted] former confidential secretary to subject, who advised in essence that she had no indication that Mr. PHILLIPS ever misused Office of Economic Opportunity (OEO) security files. On the contrary, she stated that he checked all files, not just certain select ones, and she never observed him taking any notes or making any efforts to duplicate parts of the files.

REC 25 52-97712-3

In regard to the "unusual circumstances" surrounding Mr. PHILLIPS' move, she stated she personally helped him move numerous cartons from his office which she identified as being numerous volumes of the published Congressional records.

2- Bureau
1- WFO

EX-105

JUL 24 1973

HBA:SS AUG 1 1973

(3)

Approved: JAM/LB
Special Agent in Charge

Sent _____ M Per _____

WFO 52-14459

During this move they were approached by [redacted] a Steward of the American Federation of Government Employees - Union Local 2677, who questioned them in vain regarding the contents of the cartons. She elaborated that the reason [redacted] [redacted] was not advised of the contents was that it was felt that it was none of his business.

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At this point, it appears quite evident that Mr. PHILLIPS is not guilty of any wrongdoings in regard to the allegation in question, and WFO is of the opinion that as stated previously this allegation is nothing more than personal conflict between Mr. PHILLIPS and the union. WFO notes, however, that to assure this allegation is being resolved thoroughly, PHILLIPS will be interviewed.

The Bureau will be advised of the results of this interview by separate communication.

F B I

Date: 8/21/73

Transmit the following in _____
(Type in plaintext or code)Via 7 AIRTEL _____
(Priority)

TO: DIRECTOR, FBI

FROM: SAC, WFO (52-14459) (P)

HOWARD JAY PHILLIPS;
FORMER ACTING DIRECTOR,
OFFICE OF ECONOMIC OPPORTUNITY,
WASHINGTON, D.C.
ALLEGED COMPROMISE OF FBI
INVESTIGATIVE REPORTS
TGP
(OO:WFO)

ReWFOairtel to Bureau, 7/24/73.

For information of Bureau, on 8/17/73, HOWARD JAY PHILLIPS voluntarily appeared at WFO and was interviewed in connection with captioned allegation. PHILLIPS denied any misuse of FBI files or any other security files concerning OEO personnel.

WFO is not presenting this case to the U.S. Attorney in light of the lack of any evidence substantiating captioned allegation.

A report will follow.

② Bureau
1-WFO

HBA:1kb
(3)

REC-1552-97112-4
6 AUG 21 1973

Approved: _____
Special Agent in Charge

Sent _____ M Per _____

9-10

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE WASHINGTON FIELD	OFFICE OF ORIGIN WASHINGTON FIELD	DATE 8/31/73	INVESTIGATIVE PERIOD 6/27/73 - 8/16/73
TITLE OF CASE HOWARD JAY PHILLIPS; FORMER ACTING DIRECTOR, Office of Economic Opportunity, Washington, D. C. <u>Alleged Compromise of FBI</u> <u>Investigative reports</u>		REPORT MADE BY SA 	TYPED BY jrb
		CHARACTER OF CASE THEFT OF GOVERNMENT PROPERTY	

REFERENCE: WFO airtel to Bureau, 7/3/73
 Bureau airtel to WFO 7/5/73
 WFO airtel to Bureau, 7/11/73
 WFO airtel to Bureau, 7/24/73
 WFO airtel to Bureau, 8/21/73

- C -

ADMINISTRATIVE:

For the information of the Bureau, PHILLIPS was the subject of a recent "SPIN" case instituted by the Bureau 12/21/72 per White House request. That file, under Bu file 161-9228, WFO file 161-8651 contains no information pertinent to this investigation.

PHILLIPS is described as follows:

ACCOMPLISHMENTS CLAIMED					☒ NONE	ACQUIT- TALS	CASE HAS BEEN:	
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES			PENDING OVER ONE YEAR	☐ YES ☒ NO
							PENDING PROSECUTION OVER SIX MONTHS	☐ YES ☒ NO
APPROVED COPIES MADE: 2 - Bureau (52-) 1 - WFO (52-14459)						SPECIAL AGENT IN CHARGE		
 DO NOT WRITE IN SPACES BELOW						52 - 97812 - 5		
						16 SEP 6 1973		
						EX-11		
						REC-31		
Dissemination Record of Attached Report						Notations		
Agency	1-DEO							
Request Recd.	Other DIRECTOR							
Date Fwd.	10-3-73							
How Fwd.	0-14							
By	HWP/							

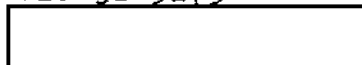
54 OCT 5 1973

COVER PAGE

WFO 52-14459

Date of Birth:
Place of Birth:
Height:
Weight:
Hair:
Eyes:
SSAN:
Wife:

2/3/41
Boston, Massachusetts
6' 2"
240 lbs
Brown
Brown
016-32-5275



Residence:

5 Lobao Drive
Danvers, Mass.
4220 Linden Street
Fairfax, Virginia

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UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATIONb6
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Copy to:

Report of:

[REDACTED]

Office:

WASHINGTON, D. C.

Date:

August 31, 1973

Field Office File #:

52-14459

Bureau File #:

Title:

HOWARD JAY PHILLIPS
FORMER ACTING DIRECTOR,
OFFICE OF ECONOMIC OPPORTUNITY
WASHINGTON, D. C.
ALLEGED COMPROMISE OF FBI
INVESTIGATIVE REPORTS~~Character:~~

CHARACTER: THEFT OF GOVERNMENT PROPERTY

Synopsis:

On 6/27/73, [REDACTED] Steward, OEO Union Local, telephonically advised WFO that he learned from [REDACTED] OEO Security Officer, that PHILLIPS, while Acting Director of OEO, copied and carried away for his personal use, FBI reports. [REDACTED] subsequently interviewed on 7/2/73 and denied making such statement to [REDACTED]. He stated [REDACTED] approached him with this allegation instead. [REDACTED] added the PHILLIPS, in capacity of Acting Director did review security files which at times included FBI reports however this was part of his job. [REDACTED] could offer no information to support [REDACTED] allegation OEO Union officials interviewed however could provide no information in support of instant allegation. These interviews are set forth. [REDACTED] Confidential Secretary to PHILLIPS during his tenure as Acting Director interviewed however was unaware of his misusing security files. PHILLIPS, interviewed on 8/16/73 denied ever misusing security files and stated they were afforded proper security.

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- C -

DETAILS: AT WASHINGTON, D. C.

Investigation in this matter was predicated upon the following information:

WFO 52-14459

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On June 27, 1973, [redacted] Steward, Office of Economic Opportunity (OEO) Union Local, 1111 18th Street, N.W., telephonically contacted the Washington Field Office of the Federal Bureau of Investigation and advised he determined through conversation with the OEO Security Officer, [redacted] [redacted] that HOWARD JAY PHILLIPS, Former Acting Director of OEO, withdrew a number of FBI reports from the custody of [redacted] and subsequently copied and carried them away for his personal use.

FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 7/12/73

[redacted] Security Officer, Office of Economic Opportunity (OEO), 1200 19th Street, N.W., telephone number 254-5539, furnished the following information:

At no time did he ever make any allegations either directly or indirectly that HOWARD JAY PHILLIPS, the former Acting Director of OEO, compromised Federal Bureau of Investigation (FBI) files by copying and carrying them away for his personal use. He stated that the first time he became aware of this allegation was on June 27, 1973 when it was brought to his attention by [redacted] a steward of the American Federation of Government Employees (AFGE), Union Local Number 2677. It was [redacted] opinion that the allegation was made to him in attempt to elicit any information he might have regarding the subject. At that time, he emphatically advised [redacted] that he had no knowledge of Mr. PHILLIPS' misuse of the FBI files and was quite sure that Mr. PHILLIPS, who he considered to be a man of integrity, would never do so. In questioning [redacted] regarding this allegation, no basis was given him for this allegation.

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According to [redacted] he maintains the security files (dossiers) of all OEO employees. These files would contain FBI reports if during a National Agency Checks and Inquiries (NASI), which is required of all OEO employees, the FBI had on file a record of the individual in question. Also, in critical positions, full field Civil Service Commission (CSC) investigations are required; however, if information regarding the loyalty of the individual, the investigation is immediately referred to the FBI. He further added that in some cases, when critical positions are in question, a name check is made against FBI files even before the CSC investigation. He further explained that Mr. PHILLIPS, in the capacity of Acting Director of OEO, had an obligation to review these files and although at times Mr. PHILLIPS did admit to keeping files over night, at no time was there any indication that the files were taken out of the building. He stated that each time a file was charged out by Mr. PHILLIPS, an appropriate record was made indicating the same, and a review of these records indicate that the last time a file was charged out to Mr. PHILLIPS was on June 14, 1973.

Interviewed on 7/3/73 at Washington, D. C. File # 52-14459 b6
by SAS and [redacted] Date dictated 7/5/73 b7C

WFO 52-14459

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[redacted] continued that it was his opinion that this problem is one of a personal conflict between Mr. PHILLIPS and the AFGE, Local Number 2677. He that Mr. PHILLIPS was appointed by the Administration to dismantle the OEO and, in view of this, the AFGE became his inherent adversary. This union, since the beginning of Mr. PHILLIPS' appointment, lead the fight in the recent court order which held that Mr. PHILLIPS was holding the position of Acting Director of OEO illegally.

At the termination of the interview, [redacted] furnished Xerox copies of a memorandum from HOWARD PHILLIPS to [redacted] who he described as the present Acting Director of OEO, and a letter from [redacted]. These copies are attached hereto, of OEO, and a letter from [redacted] directed to [redacted]. These Xerox copies are attached hereto.

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FEDERAL BUREAU OF INVESTIGATION

1

7/10/73

Date of transcription _____

[redacted] American Federation of Government Employees (AFGE)-Union Local 2677, 1111 18th Street, N.W., furnished the following information:

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On June 28, 1973, he wrote a letter to [redacted] the present Acting Director of the Office of Economic Opportunity (OEO), advising the former Acting Director of OEO, Mr. HOWARD JAY PHILLIPS, was stealing dossiers of OEO personnel. He stated that he received this information from [redacted] a steward for the union, and an employee of OEO.

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In regards to evidence supporting this allegation [redacted] stated that when he received this information from [redacted] [redacted] advised him that his information was from a source who was not identified at that time. [redacted] acknowledged the fact that although his information at best was second or third hand knowledge, he wrote the letter to [redacted] based on his personal knowledge of the integrity of [redacted]

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[redacted] advised that he was not aware of the type of dossiers that were allegedly taken by PHILLIPS and would not state that any FBI files were involved.

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Interviewed on 7/5/73 at Washington, D.C. File # WFD 52-14459
by SAs [redacted] Date dictated 7/9/73

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FEDERAL BUREAU OF INVESTIGATION

1

7/10/73

Date of transcription

[redacted] Steward, American Federation of Government Employees (AFGE)-Union Local 2677, and Staff Worker of the Office of Economic Opportunity (OEO), 1200 19th Street, N.W., furnished the following information:

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On approximately June 25, 1973, he approached his [redacted] to advise him that he felt that the former Acting Director of OEO, HOWARD JAY PHILLIPS, was stealing and carrying away for his personal use, dossiers of OEO personnel. [redacted] stated that this belief was based on the following circumstances:

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Sometime during the middle of June, 1973, he determined through conversations with OEO employees, names unrecalled, that [redacted] an employee of OEO who furnishes personnel paraphernalia to help them move, delivered approximately 20 empty cartons to Mr. PHILLIPS on approximately June 20, 1973. [redacted] stated that this seemed quite unusual since it would only take a few cartons at the most to clear an office. The only reason he could see for having so many cartons would be to help carry away the dossiers, he Xeroxed of people at OEO.

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Also, he determined through [redacted] the Security Officer at OEO, that in June, 1973, Mr. PHILLIPS charged out several dossiers of OEO employees. [redacted] felt this was quite unusual considering that PHILLIPS was in his position for at least four months and if he wanted to, could have looked at the dossiers at that time rather than at a time so near his battle with the courts in regards to the legality of his holding the position of Acting Director of OEO. As it turned out, Mr. PHILLIPS was found to be holding his position illegally, and considering the ruling was handed down on June 11, 1973, it was the contention of [redacted] that any files he reviewed after that date was done illegally.

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Interviewed on 7/5/73 at Washington, D.C. File # WFO 52-14459

by SAs [redacted] Date dictated 7/9/73

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The last reason for his suspicions being aroused regarding PHILLIPS and the misuse of dossiers of OEO employees arose from what he described as "vibes" which he received from a conversation with [redacted] an individual who he described as being very close to Mr. PHILLIPS and at one time Deputy Director of Personnel at OEO. He elaborated that during June, 1973, he received information that [redacted] was being evasive when questioned by OEO employees regarding PHILLIPS and the dossiers in question. In view of this, he personally met with [redacted] and directly questioned him regarding this problem. Again [redacted] was very evasive, however, at no time did he ever categorically deny that PHILLIPS was taking dossiers. [redacted] felt that the general tone of [redacted] comments was one which stated that since he [redacted] was a member of the union [redacted] would not tell him anything. Again he pointed out that this was nothing more than an inference.

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Upon conclusion of the interview, [redacted] that although he had no concrete evidence against Mr. PHILLIPS he felt that there was probable cause to believe that Mr. PHILLIPS was guilty of stealing dossiers of employees. Also, he did establish the fact that at no time did it ever come to his attention that specifically FBI files were involved in this case.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/17/73

1

[redacted]
[redacted] Office of
Economic Opportunity (OEO), 1200 19th Street, N.W., furnished
the following information:

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He has been previously questioned by the OEO Security Officer, [redacted] regarding the allegation that Mr. HOWARD JAY PHILLIPS, former Acting Director of OEO, copied and carried away Security files (dossiers) of OEO personnel, and thus was well aware of the purpose of this interview. He stated that it was true that by the nature of Mr. PHILLIPS' position, he had full access to the files in question; however, that was never meant to be secret, and to the contrary, it became the general knowledge of OEO employees. Considering the fact that he was formerly Deputy Director of Personnel under Mr. PHILLIPS. OEO employees, names not given, began to question him several months ago regarding the purpose of PHILLIPS' personally reviewing the Security files. Since he could not accurately answer questions along these lines, he made it a point to be evasive in his answers, and thus, avoid starting any controversy.

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Approximately three weeks ago, he was approached by [redacted] an official of the American Federation of Government Employees - Union Local 2677, who confronted him in regards to the allegation concerning Mr. PHILLIPS' copying and carrying away the Security files of OEO employees. Again he was evasive, but not only because of the reason he previously stated, but also because [redacted] Union had a Labor Management Representative, and it would violate protocol to talk with anyone but him regarding Labor problems.

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[redacted] stated that when [redacted] confronted him, he was sure the questioning would be in regards to the unusual circumstances surrounding PHILLIPS' move from the building. He elaborated that on approximately June 20, 1973, PHILLIPS required numerous cartons to move his effects from his office, and it was estimated that approximately 20 cartons were used; however, he felt that anything more than ten was unusual enough to arouse suspicion since an office has only so many items to move. Although he observed part of the move,

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Interviewed on 7/10/73 at Washington, D.C. File # WFO 152-14459

by SA [redacted] Date dictated 7/16/73

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at no time did he ever see the contents of the cartons. He
advised that the person to see regarding this matter was
[redacted] a former assistant of Mr. PHILLIPS.

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[redacted] concluded that he was unaware of any proof
to the allegation regarding Mr. PHILLIPS' misusing OEO dossiers
or parts of the dossiers which contained the results of
FBI investigations.

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FEDERAL BUREAU OF INVESTIGATION

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Date of transcription 7/19/73

[redacted] Confidential Secretary to the Acting Director of the Office of Economic Opportunity (OEO), 1200 19th Street, N.W., furnished the following information:

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During Mr. HOWARD JAY PHILLIPS' temporary appointment as Acting Director of OEO, she served under him in the same capacity as she now serves the present Acting Director of OEO. In this position, she aided Mr. PHILLIPS by attending meetings for him, typing confidential memorandums, xeroxing certain items, and by doing just about anything else Mr. PHILLIPS needed done.

She was aware of the fact that he reviewed the Security files of OEO personnel and stated that it was done as part of his job. He reviewed all the files, not just certain select ones, however she never observed him taking any notes or making any efforts to duplicate the files. She advised that whenever she observed him reviewing the files, he did it quite rapidly, indicating to her that he was merely reviewing them rather than actually studying them for any one item.

[redacted] stated that the integrity of the files were maintained, and it was the policy of Mr. PHILLIPS to have the files returned to the security officer the same day he finished with them. Whenever a file was kept over night, it was maintained in a safe which only she could open.

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In regards to the allegation that he misused these files by copying them and carrying them away from the building, it was her opinion that this was ludicrous at best since he never even used the xerox machine, and probably would not

Interviewed on 7/12/73 at Washington, D. C. File # WFO 52-14459

SA's [redacted]

by [redacted] Date dictated 7/18/73

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know how to use it. Also, Mr. PHILLIPS was a man of great integrity who was above this type of behavior.

[] advised that on June 23, 1973 (a Saturday), she came to the office and helped Mr. PHILLIPS move some of his belongings, which she described as mainly numerous volumes of The Published Congressional Records. She recalled that when they were being removed from the building, a Union Official, who she identified as [] questioned Mr. PHILLIPS' driver regarding the contents of the cartons they were carrying, however, it was felt by all that it was none of [] business, and thus, no answer was given. Also present at the time was another Union Official who she identified as []

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[] theorized that the incident surrounding the moving of these cartons might have been what started the allegation in question, however, she emphatically denied having any knowledge whatsoever which would add substance to the allegation.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/24/73

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Mr. HOWARD JAY PHILLIPS, former Acting Director of the Office of Economic Opportunity (OEO), presently residing at 4220 Linden Street, Fairfax, Virginia, voluntarily appeared at the Washington Field Office, at which time he was advised of the identities of the Agents, and the fact that he was to be interviewed in connection with an alleged theft of government property. SA [] furnished Mr. PHILLIPS a copy of his rights as shown on Form FD-395 entitled, "Interrogation; Advice of Rights". He advised he understood his rights and wished to waive them, and thereafter executed the form showing same. Thereafter, he furnished the following information:

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He served in the capacity of Acting Director of OEO from approximately January 1, 1973 until approximately June 26, 1973. At the time of his appointment by the President, it was understood that the position was only temporary until the President could choose an individual to serve as the permanent Director. It was also made clear that the permanent appointment for Director of OEO would be made by at least July 1, 1973.

When he assumed office, [] Security Officer for OEO, advised him that it was his, PHILLIPS, responsibility to review any and all security files of OEO personnel, and this measure was strongly recommended by []

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Consequently, he began to review all of the security files, but stated this was done in a systematic manner rather than just the selection of a certain few. He usually reviewed ten files a day, and at many times reviewed the files in alphabetical order; however, there were times that [] brought to his attention certain files which contained derogatory information that needed his immediate attention. Mr. PHILLIPS stated that some of the files

Interviewed on 8/16/73 at Washington, D.C. File # WFO 52-14459

by SAs, [] Date dictated 8/21/73

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contained Federal Bureau of Investigation (FBI) reports; however, at no time did he ever Xerox or duplicate in any fashion material contained in those reports. In this regard, he stated that all files brought to him were afforded the utmost of security and only certain individuals other than himself reviewed the files. He clarified this statement by explaining that if any file contained adverse information, the file would be brought to the attention of the employee's supervisor.

Concerning the procedure for reviewing the files, Mr. PHILLIPS explained that unless the file contained "explosive" information regarding a person's background, his assistants would usually get the files from [redacted] On the other hand, if the file was "explosive", it would be personally carried to him by [redacted] As a general rule, the files would be returned the same day. Although he was not positive, he felt that he possibly reviewed some files at his residence, but added that if he did, the files were certainly afforded sufficient security.

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Mr. PHILLIPS brought to the attention of the interviewing Agents that he did not get along with the OEO union, but felt this was due to his goal of eliminating certain liberal programs the OEO assisted either directly or indirectly. He cited one example as the OEO lending assistance to CESAR CHAVEZ who was presently leading a strike for migrant workers. On one occasion, his driver, [redacted] was directly confronted by two union members, [redacted] regarding the contents of certain boxes [redacted] was removing from his office. Mr. PHILLIPS advised that this incident was at the time he was leaving office due to [redacted] name being submitted to the Senate for confirmation as Director of OEO. At no time were either [redacted] advised of the contents of the boxes; however, PHILLIPS advised that this was only because it was none of their business. He identified the contents of the boxes as containing such things as his personal papers and numerous volumes of Congressional Records. He denied ever taking any type of official document or government property from the building when he left office.

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